

# SUPPORT FOR THE DEVELOPMENT OF NEW AGRICULTURAL TECHNOLOGY-BASED ENTERPRISES AND TRANSFER OF TECHNOLOGY

(TC-00-07-02-8)

## EXECUTIVE SUMMARY

<b>Requesting and executing agency:</b>	Empresa Brasileira de Pesquisa Agropecuária (Embrapa).	
<b>Beneficiaries:</b>	The direct beneficiaries of this program will be new entrepreneurs with emerging agricultural technology-based enterprises to be developed through the incubation process thus directly generating new employment, primarily for skilled workers. Indirect beneficiaries will include commercial farms and agroindustries, whose yields and productivity can be raised by incorporating the technologies placed at their disposal by the new technology-based companies as they graduate. The program will enhance development of the agriculture sector, and since that sector is a major supplier of products and services, it will have a multiplier effect on other sectors of the economy. The benefits will therefore extend throughout the economy and society as a whole.	
<b>Financing:</b>	Nonreimbursable	Facility III-A
	MIF:	US\$1,6 million
	Local counterpart:	US\$1,6 million
	Total:	US\$3,2 million
<b>Execution timetable:</b>	Execution period:	48 months
	Disbursement period:	54 months
<b>Objectives:</b>	This program will help make new technological services and products available to agricultural producers for improved growth in the agribusiness sector. Its specific objective is to encourage the creation of new technology-based companies capable of transferring agricultural technologies from the research centers in which they are developed, to new business entrepreneurs. The program will support development of a sustainable incubation system to assist startup business enterprises in the agriculture sector, and creation of three pilot projects to obtain the experience needed for improving this system. The program will have three components: (i) Instruments for an agricultural technology-based business incubation system;	

- (ii) Creation of pilot projects for starting new enterprises; and
- (iii) Coordination and monitoring.

**Environmental  
and social  
review:**

The program outline was taken up by the CESI/TRG meeting on 9 March 2001 and all of its recommendations were taken into account in the design of the program (paragraphs 6.8 - 6.10).

**Exceptions to  
Bank policy:**

None.

**Conditions  
precedents:**

The following will be deemed conditions precedent to the first disbursement: (i) the creation of the General Advisory Committee for the program, and (ii) the hiring of the program coordinator and appointment of a senior Embrapa official to form the General Coordination Team (paragraph 9.1).

Before starting the incubation process, Embrapa must present to the Bank's satisfaction evidence that: (i) the three local decision-making committees have been formed, (ii) contracts have been signed between the three partner incubators and Embrapa, and (iii) the incubation manual, including a model agreement to be signed between Embrapa and the entrepreneurs, has been completed (paragraph 9.2).